

EXH.B11 3 BUY
DATE 1-28-09
HB 323

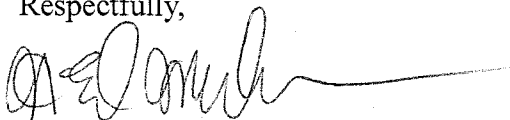
H. Ed Melcher
2331 Lewis Avenue
Billings, MT 59102

Dear Chairman and Committee Members:

This is respectfully submitted in support of HB 323.

- 1st offense
 - \$250.00 - \$500.00 fine
 - Must obtain vehicle insurance and SR-22 filing.
 - If insurance lapses, SR-22 filing will trigger a letter to be sent to the driver from the State notifying them they have 15 business days to re-activate vehicle insurance.
 - If compliance not met by deadline, drivers license will be suspended and license plates will be forfeited until such time as vehicle insurance is obtained with the SR-22 filing and all applicable fees are paid for the return of the license plates.
- 2nd offense within 5 years
 - \$500.00 fine
 - Automatic suspension of drivers license and forfeiture of license plates until vehicle insurance is obtained with the SR-22 filing and all applicable fees are paid for the return of the license plates.
- 3rd offense within 5 years
 - \$1,000.00 fine
 - Automatic suspension of drivers license until vehicle insurance is obtained with the SR-22 filing and all applicable fees are paid for the return of the license plates.
- 4th offense within 5 years
 - \$1,000.00 fine
 - Automatic suspension of drivers license until vehicle insurance is obtained with the SR-22 filing and all applicable fees are paid for the return of the license plates.
 - Once vehicle insurance requirements are met, drivers license to be reinstated with court granted special privileges only

Respectfully,



H. Ed Melcher

Date: January 21, 2009

Contact: David Corum
Phone: 610-644-2212, ext. 7506
E-mail: corum@cpcuiia.org

Economic Downturn May Push Percentage of Uninsured Motorists to All-Time High

MALVERN, Pa.—Approximately one in six drivers across the United States may be driving uninsured by 2010, according to a recent study from Insurance Research Council (IRC). Although the estimated percentage of uninsured motorists decreased nationally, from 14.9 percent in 2003 to 13.8 percent in 2007, the recent economic downturn is expected to trigger a sharp rise in the uninsured motorist rate.

The recently released study, *Uninsured Motorists, 2008 Edition*, estimates the percentage of uninsured drivers countrywide and by state for the period 2005 to 2007. The IRC estimates the uninsured driver population using a ratio of insurance claims made by individuals who were injured by uninsured drivers to claims made by individuals who were injured by insured drivers. The study contains recent statistics by state on uninsured motorists claim frequency, bodily injury liability claim frequency, and the ratio of uninsured motorists to bodily injury claim frequencies.


The magnitude of the uninsured motorists problem varied widely from state to state. In 2007, the five states with the highest uninsured driver estimates were New Mexico (29 percent), Mississippi (28 percent), Alabama (26 percent), Oklahoma (24 percent), and Florida (23 percent). The five states with the lowest uninsured driver estimates were Massachusetts (1 percent), Maine (4 percent), North Dakota (5 percent), New York (5 percent), and Vermont (6 percent).

The report also found a strong correlation between the percent of uninsured motorists and the unemployment rate: An increase in the unemployment rate of one percentage point is associated with an increase in the uninsured motorist rate of more than three-quarters of a percentage point. Based on current unemployment rate projections, the percentage of uninsured motorists is expected to rise from 13.8 in 2007 to 16.1 in 2010.

"An increase in the number of uninsured motorists is an unfortunate consequence of the economic downturn and illustrates how virtually everyone is affected by recent economic developments," said Elizabeth A. Sprinkel, senior vice president of the IRC. "Responsible drivers who purchase insurance end up paying for injuries caused by uninsured drivers."

Insurance Research Council

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Phone (610) 644-2212 • Fax (610) 640-5388
www.ircweb.org

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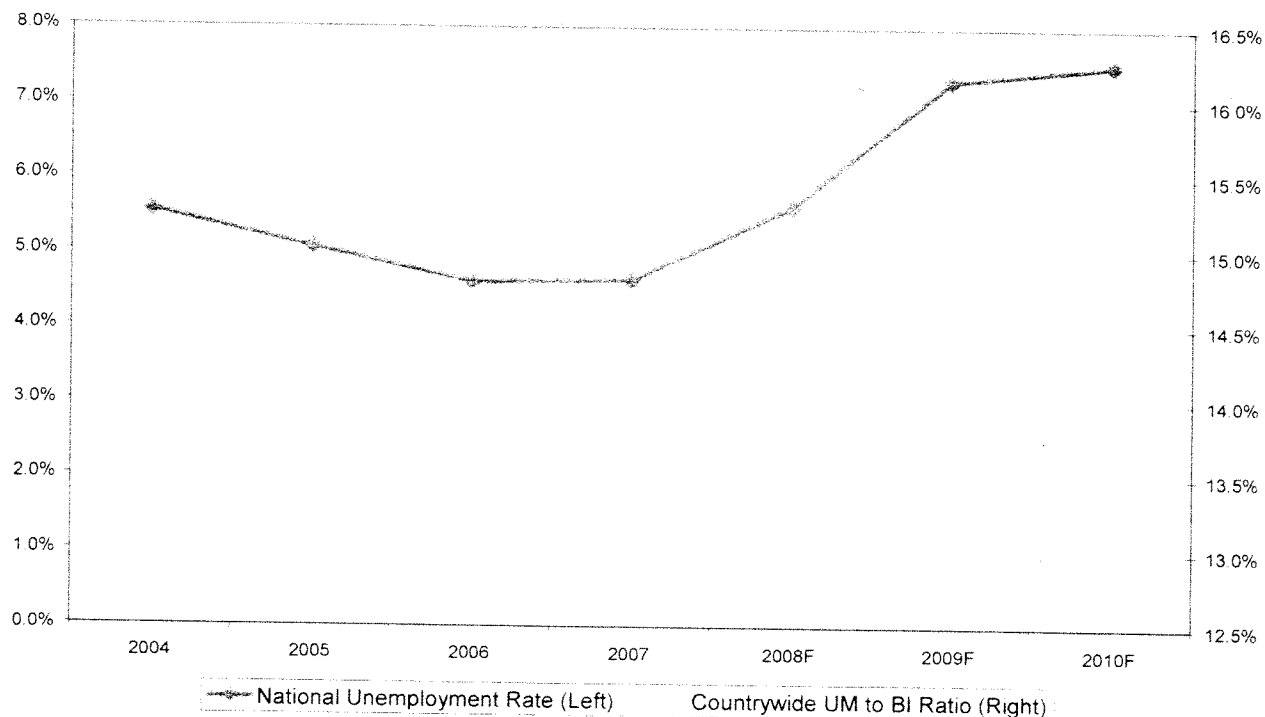
The IRC study examined data collected from nine insurers, representing approximately 50 percent of the private passenger auto insurance market in the U.S. For more detailed information on the study's methodology and findings, contact David Corum by phone at (610) 644-2212, ext. 7506; by fax at (610) 640-5388; or by e-mail at irc@cpcuia.org; or visit the IRC's Web site at www.ircweb.org. Copies of the study are available for \$125 each in the U.S. (\$140 elsewhere) postpaid from the Insurance Research Council, 718 Providence Rd., Malvern, Pa. 19355-3402. Phone: (610) 644-2212, 7574. Fax: (610) 640-5388.

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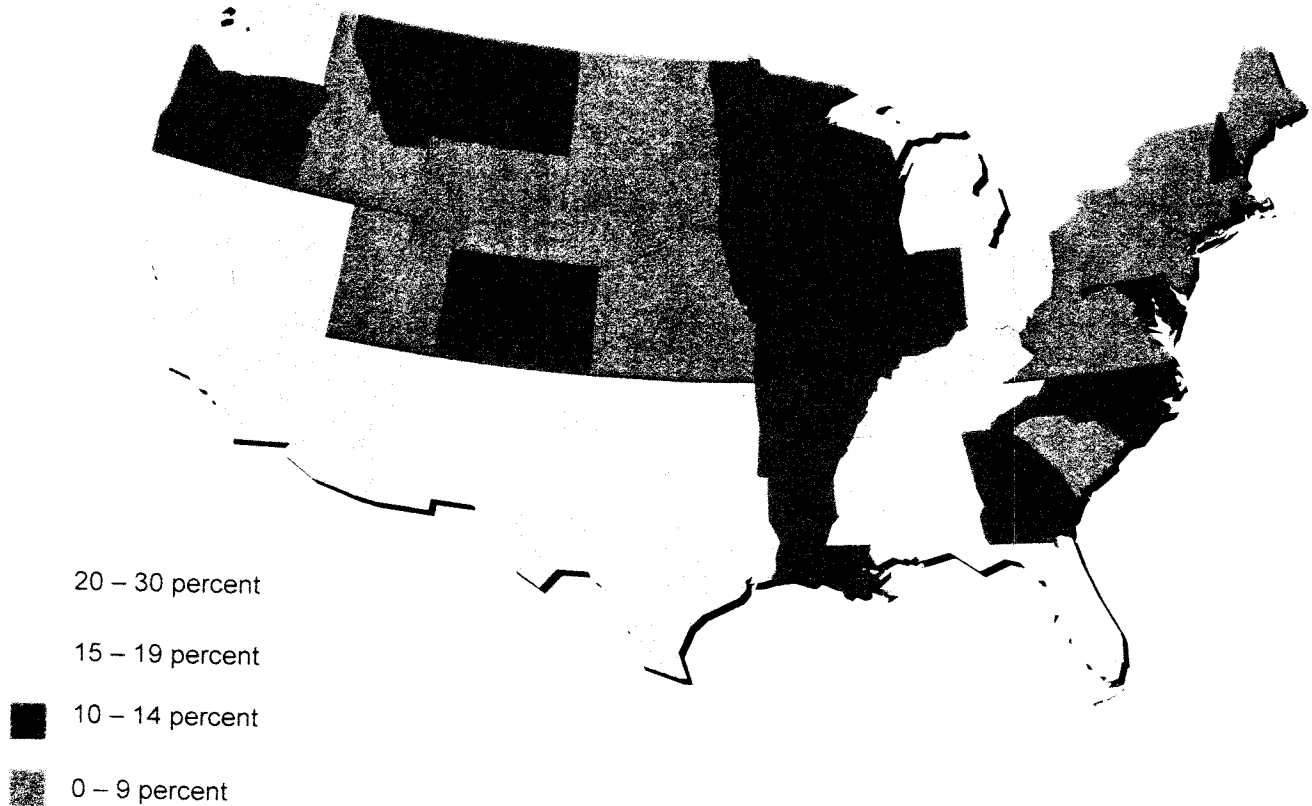
NOTE TO EDITORS: The Insurance Research Council is a division of the American Institute for CPCU and the Insurance Institute of America. The Institutes are independent, not-for-profit organizations dedicated to providing educational programs, professional certification, and research for the property-casualty insurance business. The IRC provides timely and reliable research to all parties involved in public policy issues affecting insurance companies and their customers. The IRC does not lobby or advocate legislative positions. It is supported by leading property-casualty organizations.

UM to BI Claim Frequency Ratio Expected to Increase

Historical Data: 2004-2007, Forecasts: 2008-2010



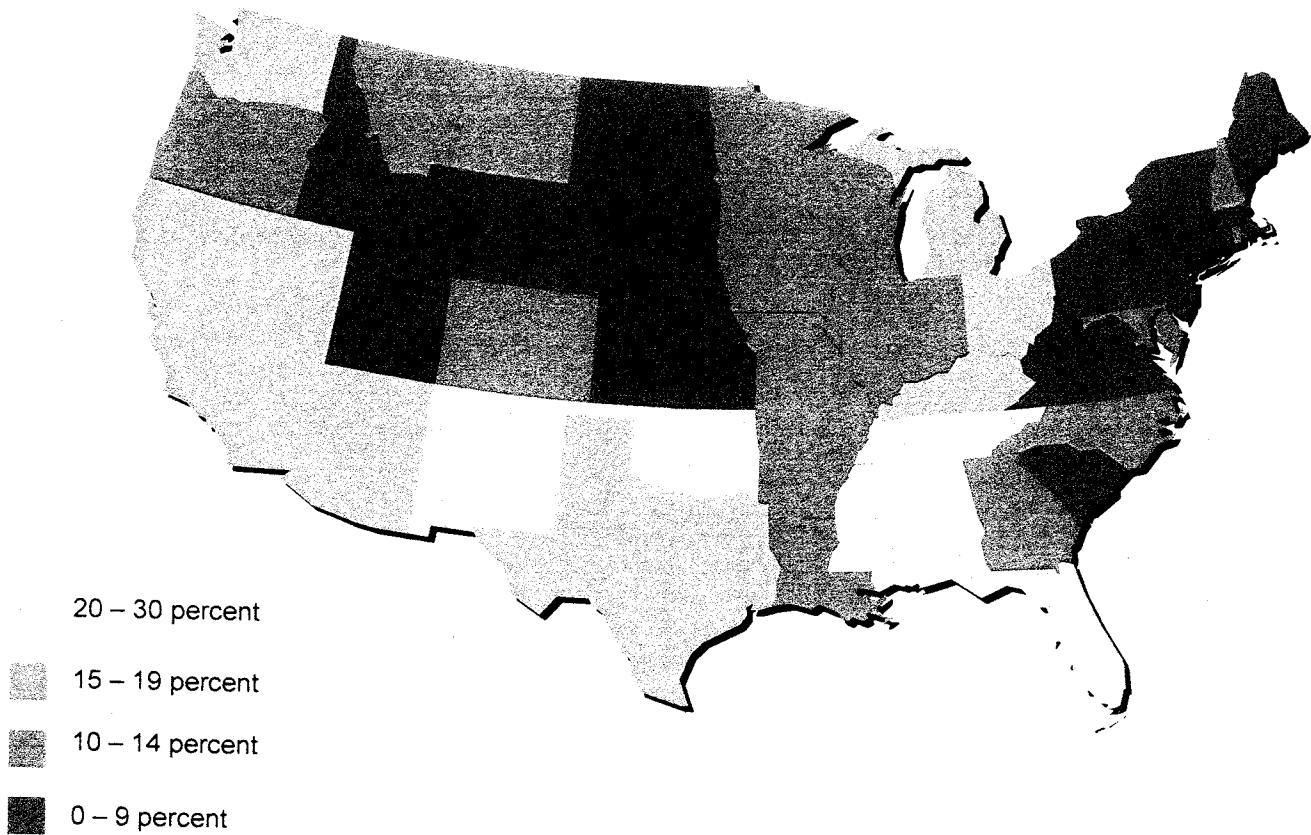
**Variation By State of Uninsured Motorists Percentage
Based on 2007 UM to BI Frequency Ratios**



Estimated Percentage of Uninsured Motorists by State in 2007

<u>State</u>	<u>Uninsured</u>	<u>State</u>	<u>Uninsured</u>	<u>State</u>	<u>Uninsured</u>
New Mexico	29%	Montana	15%	Kansas	10%
Mississippi	28%	Colorado	15%	Connecticut	9%
Alabama	26%	D.C.	15%	Virginia	9%
Oklahoma	24%	Indiana	14%	South Carolina	9%
Florida	23%	Missouri	14%	Idaho	9%
Tennessee	20%	Rhode Island	14%	Wyoming	9%
California	18%	Alaska	13%	New Jersey	8%
Arizona	18%	Maryland	12%	Utah	8%
Michigan	17%	Hawaii	12%	Nebraska	8%
Washington	16%	Louisiana	12%	West Virginia	8%
Ohio	16%	Iowa	12%	Pennsylvania	7%
Kentucky	16%	Minnesota	12%	South Dakota	7%
Texas	15%	North Carolina	12%	Vermont	6%
Nevada	15%	Georgia	12%	New York	5%
Arkansas	15%	New Hampshire	11%	North Dakota	5%
Wisconsin	15%	Oregon	11%	Maine	4%
Illinois	15%	Delaware	10%	Massachusetts	1%

**Variation By State of Uninsured Motorists Percentage
Based on 2007 UM to BI Frequency Ratios**



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Oklahoma	24%	Indiana	14%	South Carolina	9%
Florida	23%	Missouri	14%	Idaho	9%
Tennessee	20%	Rhode Island	14%	Wyoming	9%
California	18%	Alaska	13%	New Jersey	8%
Arizona	18%	Maryland	12%	Utah	8%
Michigan	17%	Hawaii	12%	Nebraska	8%
Washington	16%	Louisiana	12%	West Virginia	8%
Ohio	16%	Iowa	12%	Pennsylvania	7%
Kentucky	16%	Minnesota	12%	South Dakota	7%
Texas	15%	North Carolina	12%	Vermont	6%
Nevada	15%	Georgia	12%	New York	5%
Arkansas	15%	New Hampshire	11%	North Dakota	5%
Wisconsin	15%	Oregon	11%	Maine	4%
Illinois	15%	Delaware	10%	Massachusetts	1%

WY S § 31-4-103

General Offenses and Penalties; Penalties for Failure to Maintain Liability Coverage

(a) No owner of a motor vehicle required to be registered shall operate or permit the operation of his motor vehicle without having in full force and effect a motor vehicle liability policy in amounts provided by W.S. 31-9-405(b) or a bond in amounts provided by W.S. 31-9-102(a)(xi). Violation of this subsection is a misdemeanor punishable by imprisonment for not more than six (6) months, a fine of not less than two hundred fifty dollars (\$250.00) nor more than seven hundred fifty dollars (\$750.00), or both. On a second or subsequent violation of this subsection, the person may be fined not less than five hundred dollars (\$500.00) nor more than one thousand five hundred dollars (\$1,500.00), imprisoned for not more than six (6) months, or both. In addition to the fine or imprisonment imposed for a second or subsequent violation of this subsection, the judge shall require the defendant to deliver the registration and license plates of the vehicle involved to the county treasurer for the county where the citation was issued, and the registration and license plates shall be held by the county treasurer until such time as the judge determines that the defendant has met all obligations imposed by law. Excusable neglect or mistake by another is a defense for any violation of this subsection. If evidence of excusable neglect or mistake by another is presented and the defendant is convicted, the court may consider this evidence in imposing a penalty under this subsection. The judge may suspend part or all of the sentence under this subsection and place the defendant on probation subject to conditions imposed by the judge which shall include a condition that the defendant shall deliver the registration and license plates of the vehicle involved to the county treasurer for the county where the citation was issued. This subsection does not apply to a vehicle owned by a nonresident and registered in a state requiring insurance if a vehicle insurance policy meeting requirements of the laws and regulations of that state is in effect or unless it otherwise complies with the laws of that state concerning compulsory financial responsibility. The department shall report any violation of this subsection to the motor vehicle administrator in the state wherein the vehicle is registered. A vehicle owned by a nonresident and registered in a state not requiring insurance is exempt from this subsection.

(b) Any police officer as defined by W.S. 31-5-102(a)(xxxiii), issuing a citation for any moving violation under W.S. 31-5-101 through 31-5-1402 or inspecting any vehicle, shall require the operator of any motor vehicle required to be registered to produce evidence of whether the operator or owner of the motor vehicle has in full force and effect a motor vehicle liability policy in amounts provided by W.S. 31-9-405(b) or a bond in amounts provided by W.S. 31-9-102(a)(xi). If the operator cannot show written proof of financial responsibility, the driver shall have seven (7) days to produce such proof. Any operator or owner of a motor vehicle required to be

registered who is not able to demonstrate evidence of compliance with subsection (a) of this section may be charged with violating that subsection. Additionally, the judge may order any driver failing to produce written proof of financial responsibility to pay restitution in accordance with W.S. 7-9-101 through 7-9-115. Effective January 1, 1993, the displaying or exhibiting of a validly issued insurance identification card as provided by W.S. 31-8-201 by an operator or owner of the motor vehicle constitutes compliance with this section. No operator or owner of a motor vehicle charged with violating this section shall be convicted if he produces in court one (1) of the following which was valid at the time of arrest or at the time the citation was issued:

(i) A liability insurance policy previously issued to him;

(ii) Evidence of a bond on file with the department in amounts provided by W.S. 31-9-102(a)(xi).

(c) Upon receipt of a notice of a conviction under subsection (a) of this section, the department shall require the person convicted to file and maintain, for a three (3) year period, proof of financial responsibility as required by W.S. 31-9-401 through 31-9-414. Failure to provide proof of financial responsibility within thirty (30) days after notification shall result in the suspension of the person's driver's license and nonresident operating privileges. The suspension shall remain in effect until the required proof of financial responsibility is received by the department.

(d) This section does not apply to:

(i) Self-insurers pursuant to W.S. 31-9-414;

(ii) A vehicle owned by the United States government, any state or political subdivision thereof which is self-insured;

(iii) A vehicle meeting the requirements of W.S. 31-9-408 and 31-9-409;

(iv) A commercial vehicle registered or proportionally registered in this and any other jurisdiction provided the vehicle is covered by a vehicle insurance policy complying with the laws of any other jurisdiction in which it is registered.

(e) The department shall adopt by rule and regulation an on-line verification system for motor vehicle insurance or bond as required by this section, subject to the following:

(i) The verification system shall be accessible through the Internet, World Wide Web or a similar proprietary or common carrier electronic system by authorized personnel of the department, the courts, law enforcement personnel, any other entities authorized by the department, and insurers authorized by the insurance department to issue the insurance required by this section;

(ii) The verification system shall be available twenty-four (24) hours a day to verify the insurance status of any vehicle registered in Wyoming through the vehicle's identification number, policy number, registered owner's name or other identifying characteristic or marker as prescribed by the department in its rules and regulations;

(iii) The verification system shall be installed and operational no later than July 1, 2008, following an appropriate testing period;

(iv) The department may contract with a private vendor to assist in establishing and maintaining the verification system, which may include a database of information reported to the department by insurers or may provide for direct inquiry of insurers' records by authorized personnel;

(v) The verification system shall include appropriate provisions, consistent with industry standards, to secure its data against unauthorized access and to maintain a record of all information requests;

(vi) Information contained in the verification system shall only be available for inspection under W.S. 16-4-201 through 16-4-205 as provided in W.S. 16-4-203(d)(x);

(vii) Notwithstanding the provisions of subsection (b) of this section and W.S. 31-8-203(a), any police officer as defined by W.S. 31-5-102(a)(xxxiii), during a traffic stop or accident investigation, may access information relating to a motor vehicle or an operator subject to the traffic stop, or to a motor vehicle or operator involved in an accident, from the on-line verification system to establish compliance with this section and to verify the current validity of the policy described on any insurance identification card issued pursuant to W.S. 31-8-201 and produced by the operator of a motor vehicle during the traffic stop or accident investigation.

Revised 1997; Revised 2000; Revised 7-1-06

ID S § 49-1229

Motor Vehicle Financial Responsibility; Minimum Limits

(1) Every owner of a motor vehicle which is registered and operated in Idaho by the owner or with his permission shall continuously, except as provided in section 41-2516, Idaho Code, provide insurance against loss resulting from liability imposed by law for bodily injury or death or damage to property suffered by any person caused by maintenance or use of motor vehicles described therein in an amount not less than that required by section 49-117, Idaho Code, and shall demonstrate the existence of any other coverage required by this title or a certificate of self-insurance issued by the department pursuant to section 49-1224, Idaho Code, for each motor vehicle to be registered.

(2) A motor vehicle owner who prefers to post an indemnity bond with the director of the department of insurance in lieu of obtaining a policy of liability insurance may do so. Such bond shall guarantee that any loss resulting from liability imposed by law for bodily injury, death or damage to property suffered by any person caused by accident and arising out of the operation, maintenance and use of the motor vehicle sought to be registered shall be paid within thirty (30) days. The indemnity bonds shall guarantee payment in an amount no less than fifty thousand dollars (\$50,000) for any one (1) accident of which fifteen thousand dollars (\$15,000) if for property damage, for each vehicle registered up to a maximum of one hundred twenty thousand dollars (\$120,000) for five (5) or more vehicles.

(3) Any bond given in connection with this chapter shall be, and shall be construed to be, a continuing instrument and shall cover the period for which the motor vehicle is to be registered and operated. Such bond shall be on a form approved by the director of insurance with a surety company authorized to do business in the state.

(4) A motor carrier shall continuously provide insurance against loss resulting from liability imposed by law or by rule of the department and shall comply with the insurance requirements of section 49-1233, Idaho Code.

(5) It is an infraction punishable by a fine of seventy-five dollars (\$75.00) for any person to violate the provisions of this section for the first time. A second and any subsequent conviction for a violation of the provisions of this section or the provisions of section 49-1232 or 49-1428, Idaho Code, within a period of five (5) years shall be a misdemeanor, punishable by a fine not exceeding one thousand dollars (\$1,000), or by imprisonment in the county jail not exceeding six (6) months, or both. The department shall notify any person convicted of a violation of this section of the penalties which may be imposed for a second and any subsequent conviction.

Effective 1988; Various Amendments; Revised 7-1-99

ND S § 39-08-20

Regulations Governing Operators; Driving Without Liability Insurance Prohibited - Penalty

1. A person may not drive, or the owner may not cause or knowingly permit to be driven, a motor vehicle in this state without a valid policy of liability insurance in effect in order to respond in damages for liability arising out of the ownership, maintenance, or use of that motor vehicle in the amount required by chapter 39-16.1. Upon being stopped by a law enforcement officer for the purpose of enforcing or investigating the possible violation of an ordinance or state law, the person driving the motor vehicle shall provide to the officer upon request satisfactory evidence of the policy required under this section. If unable to comply with the request, that person may be charged with a violation of this section if that person fails to submit satisfactory evidence of the policy to the officer or the officer's agency within twenty days from the date of the request; however, during the investigation of an accident, the person may be charged with a violation of this section if that person fails to provide the satisfactory evidence within three business days from the date of the request. If that person produces satisfactory evidence of a valid policy of liability insurance in effect at the time of the alleged violation of this section to the officer, the officer's agency, or a court, that person may not be convicted or assessed any administration fee for violation of this section. Notwithstanding section 26.1-30-18, a person may be convicted for failure to have a valid policy of liability insurance in effect under this section if the time of acquisition of the policy was after the time of the alleged incidence of driving without liability insurance. If the time of acquisition of the policy comes into question, the driver or owner has the burden of establishing the time of acquisition. If the driver is not an owner of the motor vehicle, the driver does not violate this section if the driver provides the court with evidence identifying the owner of the motor vehicle and describing circumstances under which the owner caused or permitted the driver to drive the motor vehicle. Violation of this section is a class B misdemeanor and the sentence imposed must include a fine of at least one hundred fifty dollars which may not be suspended. A person convicted for a second or subsequent violation of driving without liability insurance within an eighteen-month period must be fined at least three hundred dollars which may not be suspended.

2. Upon conviction for a violation of this section or equivalent ordinance, the person who has been convicted shall provide proof of motor vehicle liability insurance to the department in the form of a written or electronically transmitted certificate from an insurance carrier authorized to do business in this state. This proof must be provided for a period of three years and kept on file with the department. If the person fails to provide this information, the department shall suspend that person's driving privileges and may not issue or renew that person's operator's license unless that person provides proof of insurance.

3. A person who has been convicted for violation of this section or equivalent ordinance shall surrender that person's operator's license and purchase a duplicate operator's license with a notation requiring that person to keep proof of liability insurance on file with the department. The fee for this license is fifty dollars and the fee to remove this notation is fifty dollars.

4. When an insurance carrier has certified a motor vehicle liability policy, the insurance carrier shall notify the director no later than ten days after cancellation or termination of the certified insurance policy by filing a notice of cancellation or termination of the certified insurance policy; except that a policy subsequently procured and certified shall, on the effective date of its certification, terminate the insurance previously certified with respect to any motor vehicle designated in both certificates.

Revised 8-1-99; Revised 8-1-03; Revised

Oregon

806.010 Driving uninsured prohibited; penalty. (1) A person commits the offense of driving uninsured if the person operates a motor vehicle in this state on any highway or premises open to the public in this state without either:

(a) The person being insured while driving the vehicle under a motor vehicle liability insurance policy that meets the requirements described under ORS 806.080; or

(b) The person or the owner of the vehicle providing the Department of Transportation with other satisfactory proof of compliance with the financial responsibility requirements of this state.

(2) Exemptions from this section are established under ORS 806.020.

(3) In addition to other penalties under this section the following apply:

(a) A person who is involved in a motor vehicle accident at any time the person is in violation of this section is subject to suspension of the person's driving privileges under ORS 809.417.

(b) A person who is convicted of violating this section is subject to ORS 806.230, if the person does not make future responsibility filings as required by that section.

(4) A person convicted for violation of this section must file with the department, and thereafter maintain for a period of three years, proof of financial responsibility that complies with ORS 806.060. Failure to comply with this subsection is subject to ORS 809.415.

(5) The offense described in this section, driving uninsured, is a Class B traffic violation. [1983 c.338 §837; 1985 c.16 §422; 1985 c.714 §1; 1991 c.350 §1; 1991 c.702 §4; 2003 c.402 §12]

*South
Dakota*

32-35-113. Maintenance of financial responsibility--Violation as misdemeanor. Every driver or owner of a motor vehicle shall at all times maintain in force one of the forms of financial responsibility on the motor vehicle by one of the following methods:

- (1) Having in force on the motor vehicle an owner's policy of liability insurance as provided in § 32-35-70;
- (2) Having in force a bond as provided in § 32-35-83;
- (3) Having a certificate of deposit of money or securities as provided in § 32-35-87, but in the amount of fifty thousand dollars; or
- (4) Having a certificate of self-insurance, as provided in §§ 32-35-90 and 32-35-91, supplemented by an agreement by the self-insurer that, with respect to accidents occurring while the certificate is in force, he will pay the same amounts that an insurer would have been obligated to pay under an owner's motor vehicle liability policy if it had issued such a policy to said self-insurer.

Failure to maintain financial responsibility is a Class 2 misdemeanor.

Source: SL 1986, ch 269, § 1.

UT S § 41-12a-303.2

Motor Vehicle Financial Responsibility; Owner's or Operator's Security Requirement; Evidence of Owner's or Operator's Security to be Carried When Operating Motor Vehicle - Defense - Penalties

(1) As used in this section:

(a) "Division" means the Motor Vehicle Division of the State Tax Commission.

(b) "Registration materials" means the evidences of motor vehicle registration, including all registration cards, license plates, temporary permits, and nonresident temporary permits.

(2) (a) (i) A person operating a motor vehicle shall:

(A) have in the person's immediate possession evidence of owner's or operator's security for the motor vehicle the person is operating; and

(B) display it upon demand of a peace officer.

(ii) A person is exempt from the requirements of Subsection (2)(a)(i) if the person is operating:

(A) a government-owned or leased motor vehicle; or

(B) an employer-owned or leased motor vehicle and is driving it with the employer's permission.

(b) Evidence of owner's or operator's security includes any one of the following:

(i) a copy of the operator's valid:

(A) insurance policy;

(B) insurance policy declaration page;

(C) binder notice;

(D) renewal notice; or

(E) card issued by an insurance company as evidence of insurance;

(ii) a certificate of insurance issued under Section 41-12a-402;

(iii) a certified copy of a surety bond issued under Section 41-12a-405;

(iv) a certificate of the state treasurer issued under Section 41-12a-406;

(v) a certificate of self-funded coverage issued under Section 41-12a-407; or

(vi) information that the vehicle or driver is insured from the Uninsured Motorist Identification Database Program created under Title 41, Chapter 12a, Part 8.

(c) Evidence of owner's or operator's security from the Uninsured Motorist Identification Database Program described under Subsection (2)(b)(vi) supercedes any evidence of owner's or operator's security described under Subsection (2)(b)(i)(D) or (E).

(3) It is an affirmative defense to a charge under this section that the person had owner's or operator's security in effect for the vehicle the person was operating at the time of the person's citation or arrest.

(4) (a) Evidence of owner's or operator's security as defined under Subsection (2)(b) except Subsections (2)(b)(i)(D) and (E) or a written statement from an insurance producer or company verifying that the person had the required motor vehicle insurance coverage on the date specified is considered proof of owner's or operator's security for purposes of Subsection (3) and Section 41-12a-804.

(b) The court considering a citation issued under this section shall allow the evidence or a written statement under Subsection (4)(a) and a copy of the citation to be faxed or mailed to the clerk of the court to satisfy Subsection (3).

(c) The notice under Section 41-12a-804 shall specify that the written statement under Subsection (4)(a) and a copy of the notice shall be faxed or mailed to the designated agent to satisfy the proof of owner's or operator's security required under Section 41-12a-804.

(5) A violation of this section is a class B misdemeanor, and the fine shall be not less than:

(a) \$400 for a first offense; and

(b) \$1,000 for a second and subsequent offense within three years of a previous conviction or bail forfeiture.

(6) Upon receiving notification from a court of a conviction for a violation of this section, the department:

(a) shall suspend the person's driver license; and

(b) may not renew the person's driver license or issue a driver license to the person until the person gives the department proof of owner's or operator's security.

(i) This proof of owner's or operator's security shall be given by any of the ways required under Section 41-12a-401.

(ii) This proof of owner's or operator's security shall be maintained with the department for a three-year period.

(iii) An insurer that provides a certificate of insurance as provided under Section 41-12a-402 or 41-12a-403 may not terminate the insurance policy unless notice of termination is filed with the department no later than ten days after termination as required under Section 41-12a-404.

(iv) If a person who has canceled the certificate of insurance applies for a license within three years from the date proof of owner's or operator's security was originally required, the department shall refuse the application unless the person reestablishes proof of owner's or operator's security and maintains the proof for the remainder of the three-year period.

Revised 7-1-00; Revised 5-5-03



Insurance Information Institute

110 William Street, New York, NY 10038 Tel. 212 346-5500

Uninsured Motorists

UNINSURED MOTORISTS

Uninsured and underinsured motorist coverage reimburses policyholders in an accident involving an uninsured, underinsured or hit-and-run driver. Twenty-one states and the District of Columbia have mandatory requirements for uninsured or underinsured motorist coverage. A handful of states, including Texas and Utah, have passed laws and begun to develop and implement online auto insurance verification systems to identify uninsured motorists.

The Insurance Research Council (IRC) estimated the percent of uninsured motorists using a ratio of insurance claims made by individuals who were injured by uninsured drivers to claims made by individuals who were injured by insured drivers. Its research also found that an increase in the unemployment rate of one percentage point is associated with an increase in the uninsured motorist rate of more than three-quarters of a percentage point. Based on recent past unemployment rates and current unemployment rate projections, the IRC projects that the national average percentage of uninsured motorists decreased, from 14.9 percent in 2003 to 13.8 percent in 2007 and could rise to 16.1 percent in 2010. The IRC found substantial variation among the states.

ESTIMATED PERCENTAGE OF UNINSURED MOTORISTS BY STATE, 2007

Rank	State	Uninsured	Rank	State	Uninsured
1	New Mexico	29%	27	Louisiana	12%
2	Mississippi	28	28	Iowa	12
3	Alabama	26	29	Minnesota	12
4	Oklahoma	24	30	North Carolina	12
5	Florida	23	31	Georgia	12
6	Tennessee	20	32	New Hampshire	11
7	California	18	33	Oregon	11
8	Arizona	18	34	Delaware	10
9	Michigan	17	35	Kansas	10
10	Washington	16	36	Connecticut	9
11	Ohio	16	37	Virginia	9
12	Kentucky	16	38	South Carolina	9
13	Texas	15	39	Idaho	9
14	Nevada	15	40	Wyoming	9
15	Arkansas	15	41	New Jersey	8
16	Wisconsin	15	42	Utah	8
17	Illinois	15	43	Nebraska	8
18	Montana	15	44	West Virginia	8
19	Colorado	15	45	Pennsylvania	7
20	D.C.	15	46	South Dakota	7
21	Indiana	14	47	Vermont	6
22	Missouri	14	48	New York	5
23	Rhode Island	14	49	North Dakota	5
24	Alaska	13	50	Maine	4
25	Maryland	12	51	Massachusetts	1
26	Hawaii	12			

AUTOMOBILE FINANCIAL RESPONSIBILITY LIMITS AND ENFORCEMENT BY STATE

As of January 2009

Proof of insurance required (1)						
State	Insurance required (2)	Minimum liability limits (3)	At registration	At time of accident	At all times in vehicle	Insurer verification of insurance (4)
MN	BI & PD Liab, PIP, UM, UIM	30/60/10	No	Yes	Yes	c
MS	BI & PD Liab	25/50/25	No	Yes	Yes	a
OR	BI & PD Liab, PIP, UM	25/50/10	No	Yes	Yes	a,c
PA	BI & PD Liab, PIP	15/30/5	No	Yes	Yes	a
RI	BI & PD Liab, UM	25/50/25 (8)	No	No	No	c
ME	BI & PD Liab, UM, UIM	50/100/25 (9)	No	Yes	Yes	a,b
OH	BI & PD Liab	12.5/25/7.5	No	Yes	Yes	a (13),c
MT	BI & PD Liab	25/50/10	No	Yes	Yes	a
NJ	BI & PD Liab, PIP, UM	15/30/5 (11)	No	Yes	Yes	a,d
NC	BI & PD Liab, UM, UIM	30/60/25	No	No	No	a,d
NH	FR only, UM	25/50/25	No	No (5)	No	None
NV	BI & PD Liab	15/30/10	No	Yes	Yes	a,d
ND	BI & PD Liab, PIP, UM	25/50/25	No	No (5)	No	c
SD	BI & PD Liab, UM	25/50/25	No	Yes	Yes	a
IA	BI & PD Liab	20/40/15	No	Yes	Yes	a
DE	BI & PD Liab, PIP	15/30/10	No	Yes	Yes	b,c,d
VA	BI & PD Liab, UM	25/50/20	No	No	No	a,b,c,d
WA	BI & PD Liab	25/50/10	No	No	No	a
WI	FR only, UM	25/50/10	No	No	No	a
AK	BI & PD Liab	50/100/25	No	No (5)	Yes	b
UT	BI & PD Liab, PIP	25/65/15 (8)	No	Yes	Yes	d
	BI & PD					

VT	Liab, UM, UIM	25/50/10	No	Yes	Yes	c
ID	BI & PD Liab	25/50/15	No	Yes	Yes	none
HI	BI & PD Liab, PIP	20/40/10	No	Yes	Yes	a
TN	BI & PD Liab	25/50/10 (8)	No	No	Yes	a
AZ	BI & PD Liab	15/30/10	No (6)	Yes	Yes	a,b,d
WY	BI & PD Liab	25/50/20	Yes	Yes	Yes	c,d
SC	BI & PD Liab, UM	25/50/25	Yes	Yes	Yes	a,d
TX	BI & PD Liab	25/50/25**	Yes	Yes	No	d
NY	BI & PD Liab, PIP, UM	25/50/10 (12)	Yes	Yes	Yes	a,d
OK	BI & PD Liab	25/50/25	Yes	Yes	Yes	a,d
WV	BI & PD Liab, UM	20/40/10	Yes	Yes	Yes	a
MO	BI & PD Liab, UM	25/50/10	Yes	Yes	Yes	a,d
FL	PD Liab, PIP	10/20/10 (8)	Yes	Yes	Yes	a,d
GA	BI & PD Liab	25/50/25	Yes	Yes	Yes	a,d
IL	BI & PD Liab, UM	20/40/15	Yes	Yes	Yes	b,c
DC	BI & PD Liab, UM	25/50/10	Yes	Yes	Yes	a,c
CT	BI & PD Liab, UM, UIM	20/40/10	Yes	Yes	Yes	a
AR	BI & PD Liab, PIP	25/50/25	Yes	No	No	b,d
CA	BI & PD Liab	15/30/5 (7)	Yes	Yes	Yes	a,b,d
CO	BI & PD Liab	25/50/15	Yes	Yes	Yes	a,d
IN	BI & PD Liab	25/50/10	Yes	Yes	No	a
KS	BI & PD Liab, PIP, UM	25/50/10	Yes	No	No	a
MI	BI & PD Liab, PIP	20/40/10	Yes	No	No	a
NE	BI & PD Liab	25/50/25	Yes	Yes	Yes	a,b
MA	BI & PD Liab, PIP, UM	20/40/5	Yes	No	No	a,d
MD	BI & PD Liab, PIP (10), UM	20/40/15	Yes	No	No	a
KY	BI & PD Liab, PIP	25/50/10	Yes	Yes	Yes	a,d
LA	BI & PD Liab	10/20/10*	Yes	No (5)	Yes	a,d

NM	BI & PD Liab	25/50/10	Yes	No	No	a,c,d
AL	BI & PD Liab	25/50/25	Yes	Yes	Yes	c

(1) Physical proof of valid insurance. The form of evidence varies by state and may take the form of an insurance policy, binder, certificate of self-insurance, surety bonds or certificate of deposit. Many states require insurance identification cards issued by the insurer. "No" in the "At Registration" column indicates that no physical proof of insurance is required, or that the state only requires the driver to identify the insurer and/or policy number on an application (i. e., "self-certification"). "Yes" in the "At all times" column indicates states where drivers must produce proof on demand.

(2) Compulsory Coverages:

BI Liab=Bodily injury liability

PD Liab=Property damage liability

UM=Uninsured motorist

PD=Physical damage

Med=First party (policyholder) medical expenses

UIM=Underinsured motorist

PIP=Personal Injury Protection. Mandatory in no-fault states. Includes medical, rehabilitation, loss of earnings and funeral expenses. In some states PIP includes essential services such as child care.

FR=Financial responsibility only. Insurance not compulsory.

(3) The first two numbers refer to bodily injury liability limits and the third number to property liability. For example, 20/40/10 means coverage up to \$40,000 for all persons injured in an accident, subject to a limit of \$20,000 for one individual, and \$10,000 coverage for property damage.

(4) a. Insurer must notify Department of Motor Vehicles or other state agency of cancellation or nonrenewal.

b. Insurer must verify financial responsibility or insurance after an accident or arrest.

c. Insurer must verify randomly selected insurance policies upon request.

d. Insurers must submit entire list of insurance in effect, which may be compared with registrations at a state agency. Also known as a computer data law. Also includes cases where insurers are required to report new issues and/or renewals.

(5) Insured must provide evidence of insurance at some point after the accident to the Department of Insurance, other state agency, or law enforcement officer. Deadlines vary among the states.

(6) Proof of insurance must be presented within 30 days of registration.

(7) Low-cost policy limits for low-income drivers in the California Automobile Assigned Risk Plan are 10/20/3.

(8) Instead of policy limits, policyholders can satisfy the requirement with a combined single limit policy. Amounts vary by state.

(9) In addition, policyholders must also carry at least \$1,000 for medical payments.

(10) May be waived for the policyholder but is compulsory for passengers.

(11) Basic policy (optional) limits are 10/10/5. Uninsured and underinsured motorist coverage not available under the basic policy but uninsured motorist coverage is required under the standard policy.

(12) In addition, policyholders must have 50/100 for wrongful death coverage.

(13) For high risk drivers only.

*Minimum coverage requirements will increase to 15/30/25 on January 1, 2010.

**Minimum coverage requirements will increase to 30/60/30 on January 1, 2011.

Source: Property Casualty Insurers Association of America; state departments of insurance and motor vehicles.



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